#### STATUTORY INSTRUMENTS

# 2022 No. 699

### TRADE UNIONS

# The Liability of Trade Unions in Proceedings in Tort (Increase of Limits on Damages) Order 2022

Made----22nd June 2022Laid before Parliament24th June 2022Coming into force21st July 2022

The Secretary of State, in exercise of the powers conferred by section 22(3) of the Trade Union and Labour Relations (Consolidation) Act 1992(a), makes the following Order.

#### Citation, commencement and extent

- 1.—(1) This Order may be cited as the Liability of Trade Unions in Proceedings in Tort (Increase of Limits on Damages) Order 2022.
  - (2) This Order shall come into force on 21st July 2022.
  - (3) This Order extends to England and Wales and Scotland only.

#### Increase of the limits on the amount which may be awarded against a trade union

- **2.**—(1) The Trade Union and Labour Relations (Consolidation) Act 1992 is amended in accordance with paragraph (2).
- (2) In section 22(2) (Limit on damages awarded against trade unions in actions in tort), in the second column of the table—
  - (a) for "£10,000", substitute "£40,000";
  - (b) for "£50,000", substitute "£200,000";
  - (c) for "£125,000", substitute "£500,000"; and
  - (d) for "£250,000", substitute "£1,000,000".

## **Transitional provision**

**3.** The amendments made in Article 2 do not have effect in relation to any proceedings in tort(**b**) the subject of which is an act(**c**) that began or occurred before 21st July 2022.

<sup>(</sup>a) 1992 c. 52.

<sup>(</sup>b) "Tort" is defined in section 298 of the Trade Union and Labour Relations (Consolidation) Act 1992 (c. 52) ("the 1992 Act") as follows: ""tort", as respects Scotland, means delict, and cognate expressions shall be construed accordingly".

<sup>(</sup>c) "Act" is defined in section 298 of the 1992 Act as follows: ""act" and "action" each includes omission, and references to doing an act or taking action shall be construed accordingly".

#### **EXPLANATORY NOTE**

(This note is not part of the Order)

This Order increases, from 21st July 2022, the limits on the maximum award of damages which may be made against a trade union in proceedings in tort where section 22 of the Trade Union and Labour Relations (Consolidation) Act 1992 ("the 1992 Act") applies, as specified in Article 2.

The limits set out in section 22(2) of the 1992 Act were originally set out in the now repealed Employment Act 1982 (section 16).

Under section 22(3) of the 1992 Act, the Secretary of State may by order vary the sums specified in this section. This Order increases the sums to amounts which take into account changes in the retail prices index which have occurred since the maximum amounts were set in the Employment Act 1982.

Further to Article 2, from 21st July 2022 the new limits will be as follows:

- Where a trade union has less than 5,000 members, the maximum award of damages (formerly £10,000) will be £40,000;
- Where a trade union has 5,000 members or more but less than 25,000, the maximum award of damages (formerly £50,000) will be £200,000;
- Where a trade union has 25,000 members or more but less than 100,000, the maximum award of damages (formerly £125,000) will be £500,000;
- Where a trade union has 100,000 members or more, the maximum award of damages (formerly £250,000) will be £1,000,000.

Article 3 contains a transitional provision made under section 22(3) of the 1992 Act. The aim of this provision is that the new limits substituted by Article 2 shall not apply to any tort proceedings the subject of which is an act that began or occurred before 21st July 2022.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.

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